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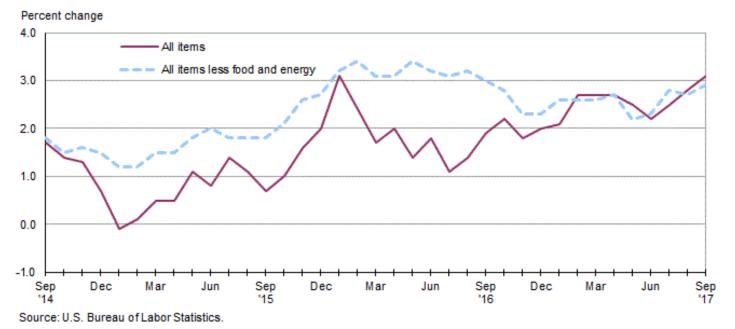
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# Consumer Price Index, Los Angeles area — September 2017 Area prices were up 0.4 percent over the past month, up 3.1 percent from a year ago

Prices in the Los Angeles area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), increased 0.4 percent in September, the U.S. Bureau of Labor Statistics reported today. (See table A.) Assistant Commissioner for Regional Operations Richard Holden noted that the September increase was influenced by higher prices for gasoline and shelter. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U increased 3.1 percent. (See chart 1 and table A.) Energy prices advanced 6.8 percent, largely the result of an increase in the price of gasoline. The index for all items less food and energy advanced 2.9 percent over the year. (See table 1.)

Chart 1. Over-the-year percent change in CPI-U, Los Angeles, September 2014-September 2017



#### Food

Food prices advanced 0.5 percent for the month of September. (See table 1.) Prices for food at home advanced 0.8 percent, while prices for food away from home were unchanged for the same period.

Over the year, food prices increased 2.4 percent. Prices for food away from home moved up 4.5 percent since a year ago, and prices for food at home rose 0.8 percent.

#### **Energy**

The energy index advanced 3.2 percent over the month. The increase was mainly due to higher prices for gasoline (5.6 percent). Prices for electricity were unchanged, while prices for natural gas service declined 1.1 percent for the same period.

Energy prices advanced 6.8 percent over the year, largely due to higher prices for gasoline (14.3 percent). Prices paid for natural gas service declined 4.9 percent, and prices for electricity decreased 2.2 percent during the past year.

### All items less food and energy

The index for all items less food and energy rose 0.2 percent in September. Higher prices for recreation (1.0 percent), apparel (0.5 percent), and shelter (0.3 percent) were partially offset by lower prices for household furnishings and operations (-1.1 percent).

Over the year, the index for all items less food and energy advanced 2.9 percent. Components contributing to the increase included other goods and services (5.5 percent) and shelter (4.1 percent). Partly offsetting the increases was a price decline in apparel (-5.0 percent).

Table A. Los Angeles-Riverside-Orange County CPI-U monthly and annual percent changes (not seasonally adjusted)

| Month     | 2012    |        | 2013    |        | 2014    |        | 2015    |        | 2016    |        | 2017    |        |
|-----------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|---------|--------|
|           | Monthly | Annual |
| January   | 0.8     | 2.1    | 0.8     | 2.0    | 0.5     | 0.8    | -0.3    | -0.1   | 0.7     | 3.1    | 0.9     | 2.1    |
| February  | 0.5     | 2.1    | 0.7     | 2.2    | 0.5     | 0.5    | 0.7     | 0.1    | 0.0     | 2.4    | 0.6     | 2.7    |
| March     | 1.0     | 2.0    | 0.1     | 1.3    | 0.6     | 1.0    | 1.0     | 0.5    | 0.3     | 1.7    | 0.3     | 2.7    |
| April     | 0.0     | 1.5    | -0.4    | 0.9    | 0.0     | 1.4    | -0.1    | 0.5    | 0.2     | 2.0    | 0.2     | 2.7    |
| May       | 0.1     | 1.6    | 0.1     | 1.0    | 0.4     | 1.7    | 1.0     | 1.1    | 0.5     | 1.4    | 0.3     | 2.5    |
| June      | -0.4    | 1.6    | -0.1    | 1.4    | 0.1     | 1.8    | -0.3    | 0.8    | 0.1     | 1.8    | -0.2    | 2.2    |
| July      | -0.1    | 1.9    | -0.1    | 1.3    | 0.1     | 2.0    | 0.7     | 1.4    | 0.0     | 1.1    | 0.3     | 2.5    |
| August    | 0.6     | 2.3    | 0.1     | 0.8    | -0.1    | 1.8    | -0.3    | 1.1    | 0.0     | 1.4    | 0.3     | 2.8    |
| September | 0.4     | 2.2    | 0.2     | 0.6    | 0.0     | 1.7    | -0.4    | 0.7    | 0.2     | 1.9    | 0.4     | 3.1    |
| October   | 0.8     | 3.0    | 0.1     | -0.1   | -0.1    | 1.4    | 0.2     | 1.0    | 0.4     | 2.2    |         |        |
| November  | -1.0    | 2.1    | -0.5    | 0.4    | -0.7    | 1.3    | 0.0     | 1.6    | -0.4    | 1.8    |         |        |
| December  | -0.7    | 1.9    | 0.0     | 1.1    | -0.5    | 0.7    | -0.1    | 2.0    | 0.0     | 2.0    |         |        |

The October 2017 Consumer Price Index for the Los Angeles-Riverside-Orange County is scheduled to be released on November 15, 2017.

## **Consumer Price Index Geographic Revision for 2018**

In January 2018, BLS will introduce a new geographic area sample for the Consumer Price Index (CPI). As part of the new sample, Los Angeles and Riverside will have separate indexes. The first indexes using the new structure will be published in February 2018. Additional information on the geographic revision is available at: www.bls.gov/cpi/additional-resources/geographic-revision-2018.htm.

### **Technical Note**

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately 24,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/homch17\_a.htm.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.** 

The Los Angeles-Riverside-Orange County, CA. metropolitan area covered in this release is comprised of Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties in the State of California.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Los Angeles-Riverside-Orange County, CA (1982-84=100 unless otherwise noted)

| Item and Group                                 |              | Indexes      |              | Percent change from- |              |              |  |
|--|--------------|--------------|--------------|----------------------|--------------|--------------|--|
|  | Jul.<br>2017 | Aug.<br>2017 | Sep.<br>2017 | Sep.<br>2016         | Jul.<br>2017 | Aug.<br>2017 |  |
| Expenditure category                           |              |              |              |                      |              |              |  |
| All items                                      | 256.023      | 256.739      | 257.890      | 3.1                  | 0.7          | 0.4          |  |
| All items (1967=100)                           | 756.405      | 758.521      | 761.921      | -                    | -            |              |  |
| Food and beverages                             | 256.155      | 255.487      | 256.658      | 2.3                  | 0.2          | 0.5          |  |
| Food   | 256.524      | 255.877      | 257.052      | 2.4                  | 0.2          | 0.5          |  |
| Food at home                                   | 254.786      | 253.407      | 255.460      | 0.8                  | 0.3          | 0.8          |  |
| Food away from home                            | 254.810      | 255.075      | 255.150      | 4.5                  | 0.1          | 0.0          |  |
| Alcoholic beverages                            | 235.649      | 234.701      | 235.761      | -0.1                 | 0.0          | 0.5          |  |
| Housing  | 288.012      | 289.452      | 289.765      | 3.5                  | 0.6          | 0.1          |  |
| Shelter  | 330.223      | 332.242      | 333.103      | 4.1                  | 0.9          | 0.3          |  |
| Rent of primary residence(1)                   | 348.898      | 350.842      | 351.705      | 5.0                  | 0.8          | 0.2          |  |
| Owners' equiv. rent of residences(1)(2)        | 343.386      | 345.158      | 346.413      | 4.3                  | 0.9          | 0.4          |  |
| Owners' equiv. rent of primary residence(1)(2) | 343.367      | 345.138      | 346.393      | 4.3                  | 0.9          | 0.4          |  |
| Fuels and utilities                            | 305.844      | 305.732      | 305.195      | 0.5                  | -0.2         | -0.2         |  |
| Household energy                               | 262.398      | 262.274      | 261.575      | -2.8                 | -0.3         | -0.3         |  |
| Energy services(1)                             | 261.037      | 260.901      | 260.165      | -2.9                 | -0.3         | -0.3         |  |
| Electricity(1)                                 | 290.636      | 290.631      | 290.669      | -2.2                 | 0.0          | 0.0          |  |
| Utility (piped) gas service(1)                 | 237.957      | 237.504      | 234.905      | -4.9                 | -1.3         | -1.1         |  |
| Household furnishings and operations           | 116.628      | 116.584      | 115.323      | 0.2                  | -1.1         | -1.1         |  |
| Apparel  | 104.844      | 105.922      | 106.412      | -5.0                 | 1.5          | 0.8          |  |
| Transportation                                 | 196.789      | 197.851      | 201.216      | 6.1                  | 2.2          | 1.7          |  |
| Private transportation                         | 192.507      | 194.299      | 197.983      | 7.0                  | 2.8          | 1.9          |  |
| Motor fuel                                     | 223.750      | 230.041      | 242.911      | 14.3                 | 8.6          | 5.6          |  |
| Gasoline (all types)                           | 218.844      | 225.027      | 237.612      | 14.3                 | 8.6          | 5.6          |  |
| Gasoline, unleaded regular(3)                  | 218.910      | 225.207      | 238.002      | 14.4                 | 8.7          | 5.7          |  |
| Gasoline, unleaded midgrade(3)(4)              | 210.910      | 216.434      | 228.143      | 14.2                 | 8.2          | 5.4          |  |
| Gasoline, unleaded premium(3)                  | 210.705      | 216.132      | 227.211      | 13.6                 | 7.8          | 5.           |  |
| Medical care                                   | 474.778      | 474.509      | 476.051      | 2.1                  | 0.3          | 0.0          |  |
| Recreation(5)                                  | 107.220      | 106.849      | 107.941      | 0.9                  | 0.7          | 1.0          |  |
| Education and communication(5)                 | 143.696      | 143.587      | 144.088      | 1.6                  | 0.3          | 0.0          |  |
| Other goods and services                       | 416.736      | 416.493      | 416.085      | 5.5                  | -0.2         | -0.1         |  |
| Commodity and service group                    |              |              |              |                      |              |              |  |
| All items                                      | 256.023      | 256.739      | 257.890      | 3.1                  | 0.7          | 0.4          |  |
| Commodities                                    | 175.886      | 176.177      | 177.703      | 2.4                  | 1.0          | 0.0          |  |
| Commodities less food & beverages              | 134.231      | 134.898      | 136.491      | 2.5                  | 1.7          | 1.2          |  |
| Nondurables less food & beverages              | 175.941      | 177.558      | 181.027      | 4.0                  | 2.9          | 2.0          |  |
| Durables                                       | 93.340       | 93.067       | 92.806       | -0.4                 | -0.6         | -0.3         |  |
| Services                                       | 327.351      | 328.448      | 329.259      | 3.4                  | 0.6          | 0.2          |  |
| Special aggregate indexes                      |              |              |              |                      |              |              |  |
| All items less medical care                    | 246.563      | 247.314      | 248.445      | 3.2                  | 0.8          | 0.5          |  |
| All items less shelter                         | 223.536      | 223.663      | 224.951      | 2.4                  | 0.6          | 0.6          |  |
| Commodities less food                          | 138.572      | 139.205      | 140.804      | 2.4                  | 1.6          | 1.1          |  |
| Nondurables                                    | 216.790      | 217.391      | 219.879      | 3.1                  | 1.4          | 1.1          |  |
| Nondurables less food                          | 181.583      | 183.093      | 186.488      | 3.7                  | 2.7          | 1.9          |  |
| Services less rent of shelter(2)               | 332.326      | 332.082      | 332.833      | 2.4                  | 0.2          | 0.2          |  |
| Services less medical care services            | 314.998      | 316.137      | 316.929      | 3.6                  | 0.6          | 0.0          |  |
| Energy   | 239.415      | 243.267      | 250.977      | 6.8                  | 4.8          | 3.2          |  |
| All items less energy                          | 259.220      | 259.705      | 260.370      | 2.8                  | 0.4          | (            |  |

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Los Angeles-Riverside-Orange County, CA (1982-84=100 unless otherwise noted) - Continued

| Item and Group                 |              | Indexes      |              | Percent change from- |              |              |  |
|--------------------------------|--------------|--------------|--------------|----------------------|--------------|--------------|--|
|                                | Jul.<br>2017 | Aug.<br>2017 | Sep.<br>2017 | Sep.<br>2016         | Jul.<br>2017 | Aug.<br>2017 |  |
| All items less food and energy | 260.020      | 260.698      | 261.277      | 2.9                  | 0.5          | 0.2          |  |

#### Footnotes

- (1) This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.
- (2) Index is on a December 1982=100 base.
- (3) Special index based on a substantially smaller sample.
- (4) Indexes on a December 1993=100 base.
- (5) Indexes on a December 1997=100 base.
- Data not available

NOTE: Index applies to a month as a whole, not to any specific date.